SUNPOWER GROUP LTD.
No. 2111 Chengxin Road, Nanjing Jiangning, Science Park, Nanjing 211112, PRC
Tel: (86) 25-5216 9777 Fax: (86) 25-5216 9700 Web: www.sunpower.com.cn

For Immediate Release

Sunpower secures RMB817 million haze treatment project, to BOO/BOT environmental friendly cogeneration plant in Hebei

- **The Group moves to combat air pollution and ventures into circular economy**
- **The Group is well-poised to ride on favourable trend with the support from the government's policies to tackle smog and haze**
- **Leveraging on the Group's heat insulation and high efficiency heat transfer technologies to expand into central heating industry**
- **Recurring income will be a new revenue stream for the Group**

Singapore, 23 December 2015 – Mainboard-listed Sunpower Group Ltd. ("中圣集团", "Sunpower" or "the Group"), a China-based heat transfer technology specialist engaged in the design, R&D and manufacture of energy-efficient and environmental protection equipment for diverse industries, is pleased to announced that it has successfully secured a Build-Operate-Own ("BOO") /Build-Operate-Transfer ("BOT") contract to build a centralised steam and electricity facility with ultra-low carbon and pollution emission (the "Changrun Cogeneration Facility" or the "Project") and operate the facility in the Gaoyang Circular Economy Industrial Park (the "Industrial Park") in Hebei Province, China (the "Changrun Project"). The Industrial Park located in Gaoyang County is one of the 18 County-level National Circular Economy Demonstration Pilot Zones.

The Changrun Cogeneration Facility and a completed wastewater treatment project are the core projects in realizing the circular economy concept in the Industrial Park. The sludge from wastewater treatment will be mixed with coal as feedstock for the boilers to generate steam from treated wastewater to supply heat and generate electricity. The Project will be completed in phases, whereby Phase I will comprise two boilers with steam generation capacity of 220 tons each per hour, two generators with power generation capacity of 25 megawatts each per hour, and steam distribution pipelines. The Project will supply steam to approximately 70 manufacturing plants in Gaoyang County as well as supply electricity to some of the manufacturing plants and the national grid. The total investment for Phase I is approximately RMB817 million and will be funded by proceeds from new shares placement, bank loans and internal resources.

China is facing a severe air pollution which is mainly attributed by the usage of huge number of small size coal-fired-boilers and non-compliant coal-fired-boilers. Currently, almost each manufacturing plant in Gaoyang is dependent on steam and electricity generated from self-owned, small coal-fired boilers which is one of the major culprits causing serious haze issue in the area. In view of this, the government has rolled out a series policies to tackle the issue, which includes the closing down of small and pollutive coal-fired-boilers in Hebei by end of 2017. These favourable policies will provide greater opportunities to the Group in combating the haze issues.

Mr. Guo Hongxin, Chairman of Sunpower Group comments, **"The Group remains committed for the past 18 years in providing energy savings, environmental protection solutions and**

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products to our clients. Over the years, we have secured reputable domestic and international clients as well as developed many proprietary technologies.

The Chinese government is making great efforts to solve the haze and other environmental problems and this offers great business opportunities for the Group to extend the application of its existing technologies to provide centralized heating and clean energy. We will seize these opportunities by securing more Build-Operate-Own, Build-Operate-Transfer and Transfer-Operate-Transfer projects. These business models will not only increase the Group's EPC revenue, but also expand our recurring income stream and thus optimize our business model to maximize shareholders' values."

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About Sunpower Group Limited

PRC-based Sunpower Group Ltd. is a one-stop solution provider for energy conservation, waste-to-energy and renewable energy projects which specialized in the design, R&D and manufacture of energy conservation products with more than 120 registered patents in China. Its energy-saving and environmental protection solutions include Zero Liquid Discharge ("ZLD") system, flare gas recovery system and sulphur recovery system. Sunpower has a strong customer base which includes well-known international customers such as BASF, Shell, Dow Chemical, BP, SABIC, Alcoa, and Mobil, and Chinese conglomerates such as China Petrochemical Corporation ("Sinopec"), China National Offshore Oil Corporation ("CNOOC"), China National Petroleum Corporation ("CNPC") and China National Chemical Corporation ("ChemChina"). The Group is a member of both Sinopec's materials supply network and CNPC's first-tier network. These memberships pre-qualify the Group to supply products to companies in the Sinopec and CNPC groups.

For more information, please refer to: http://sunpower.com.cn/.

Issued for and on behalf of Sunpower Group Ltd
By Financial PR Pte Ltd
For more information please contact:
Yong Jing Wen, jingwen@financialpr.com.sg
Yit Sung Ngo, yitsung@financialpr.com.sg
Tel: (65) 6438 2990 Fax: (65) 6438 0064